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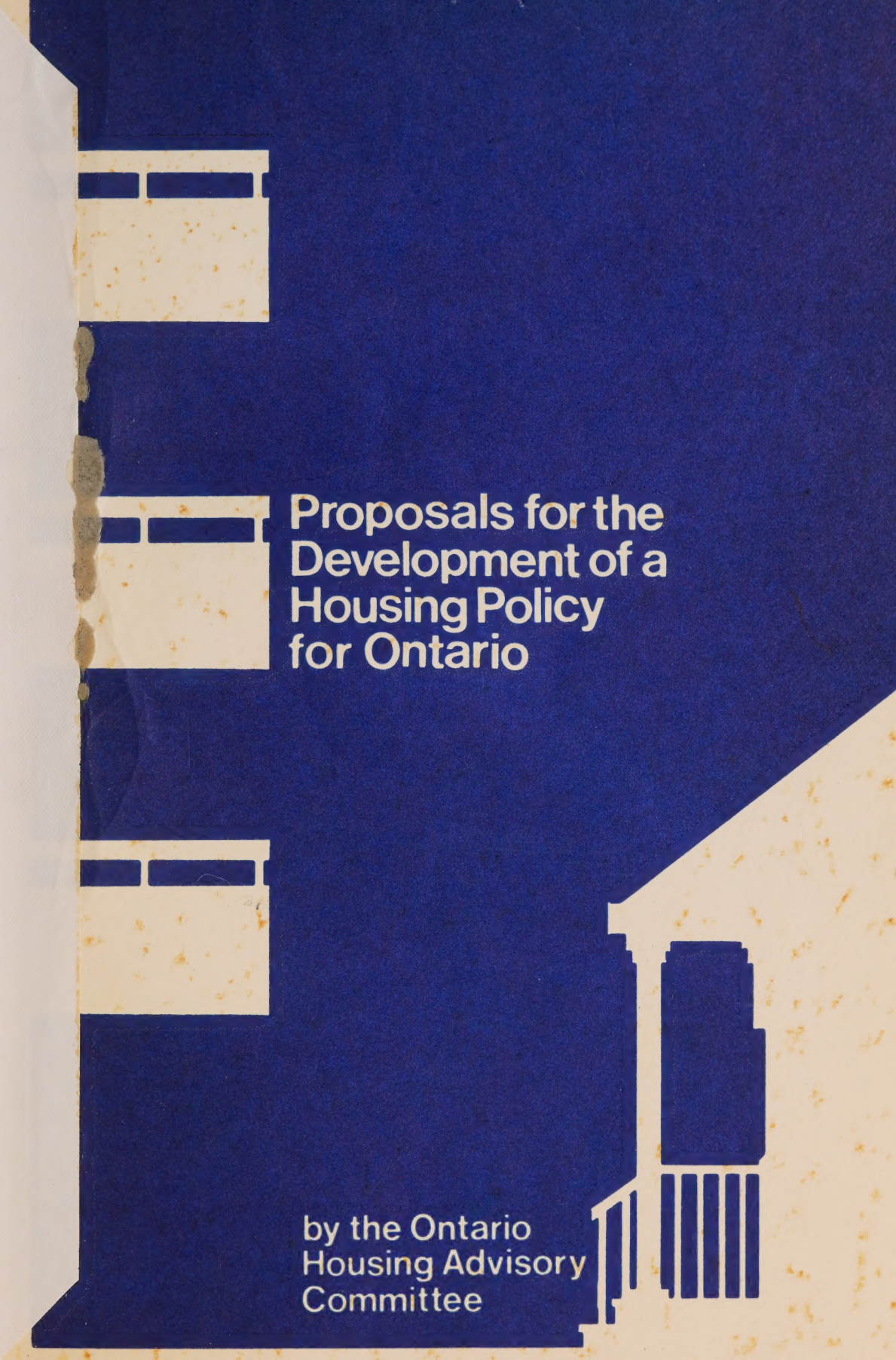
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Ontario, Housing Advisory
Committee

Proposals for the Develop-
ment of a Housing Policy for
Ontario

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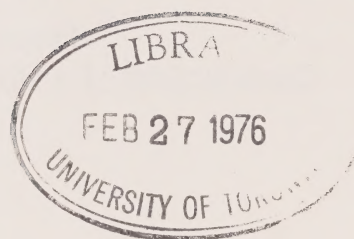
Proposals for the Development of a Housing Policy for Ontario

by the Ontario
Housing Advisory
Committee



Proposals for the
Development of a Housing Policy
for Ontario

by the Ontario Housing Advisory Committee



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ONTARIO
HOUSING ADVISORY COMMITTEE

The Honourable Allan Grossman,
Minister of Revenue,
Parliament Buildings,
Queen's Park,
Toronto, Ontario.

Sir:

Pursuant to the Order-in-Council approved by his Honour the Lieutenant Governor, dated October 16, 1969, and in particular to Clause 13 thereof, it is my pleasure to submit proposals for the development of a housing policy for Ontario.

The Committee appreciates that a considerable amount of research and analysis will be required to fully delineate a viable policy and that it will be a substantial task to integrate it financially and socially with related policies and the other commitments of government. It is hoped that these proposals will contribute to this complex task.

In the meantime, we offer the services of the Committee as a continuing aspect of the liaison, which will be necessary between the three levels of government and the housing industry in Ontario if the problems of housing in the province are to be solved in an expeditious and satisfactory manner.

Sincerely,

A handwritten signature in dark ink, appearing to read "H.I. Stricker".

H.I. Stricker,
Chairman,
Ontario Housing Advisory Committee.

Introduction

THE NEED FOR A PROVINCIAL HOUSING POLICY

The provision of shelter which in 1971, in Ontario, represented an investment of \$1.5 billion, is currently the joint responsibility of the private and public sectors, the latter consisting of the Federal, Provincial and Municipal governments.

The Federal and Provincial governments have recently been increasingly active in the housing field, both by supplying public housing and by providing or guaranteeing mortgages. But, the private housing sector, which constructs the largest proportion of housing, has not experienced a smooth flow of funds.

The rapid increase in the cost of housing appears to have been the result of three major factors:

- 1] the cost and supply of money;
- 2] the cost of serviceable raw land suitable for development;
- 3] the building and servicing standards.

If the restructuring of local government is accelerated, the Municipal government functions of planning, zoning, setting standards and constructing public works, could contribute to a positive environment for free enterprise, enabling the private housing industry to provide a wider range of housing units.

The Province, therefore, has a responsibility to clarify its position with regard to shelter generally and to make known its views concerning the respective roles of:

- The private sector;
- The Provincial Government;
- The Federal Government;
- Municipal Governments.

This will enable basic long-range decisions to be made concerning the most useful deployment of public and private funds.

THE DEMAND FOR HOUSING

Housing demand occurs in four major ways:

- 1] Increased household formation, resulting partly from increased population but mainly from changing age group characteristics, changes in life style and from undoubling as a result of increasing economic ability.
- 2] The replacement of obsolete or demolished housing; and the renovation of substandard or obsolescent units.
- 3] Migration within the Province, as a result of changing employment opportunities and economic conditions.
- 4] The maintenance of an adequate level of vacancy rates which is required to enable the market to function freely.

PHILOSOPHIC PREMISE FOR A HOUSING POLICY

It is the Ontario Housing Advisory Committee's contention that:

shelter, together with food and clothing, must be considered a fundamental human need;

the primary responsibility for the provision of shelter rests with the individual;

when the individual is unable to provide for himself, the state has an obligation to assist him in the provision of shelter.

It is the Committee's position that one of the major objectives of a Provincial housing policy should be to create and maintain a situation in which the private housing industry can meet the needs of most of the population, thus enabling them to accept responsibility for the provision of their own shelter.

Nevertheless, the Committee recognizes that there are individuals who are not able to provide adequate housing for themselves and that society, acting through its governments, has an obligation to assist them.

An analysis of the current housing stock in Ontario by the Ontario Housing Corporation, indicated that of the total 1971 inventory of over two million housing units, the Corporation had been involved in 4.8%. Involvement ranged from building for ownership to the provision of, or guaranteeing of first and second mortgages.

The Ontario Housing Corporation is becoming an increasingly important factor in the housing industry in Ontario as evidenced by the facts that:

- 1] in 1971, public family housing built in Ontario represented about 9 percent of the 89,980 housing starts for that year;
- 2] if all the Ontario Housing Corporation's activities in senior citizen and student housing and in 'initiated starts' are included, the Corporation's involvement represented 23 percent of total housing starts in the province for 1971.

Since the construction of this housing is undertaken by private enterprise, in some cases under contract from the public sector, the percentage is large enough to warrant adequate coordination between the two sectors in order to ensure the smooth provision of public housing and to permit the private housing industry to incorporate this provision into its over-all planning process.

Recommendations

RECOMMENDATIONS

Based on its views of the need for a Provincial housing policy, the ways in which the demand for housing arises, and its opinions on how the public and private sectors might best cooperate, this Committee offers the following recommendations towards the formulation of a Provincial housing policy:

That the Government create a housing policy development group responsible to a senior administrator at the Deputy Ministerial level and, through him, to a Minister of the Crown, to develop and enunciate a Provincial housing policy.

The Committee appreciates that considerable detailed analysis and research must be undertaken before a viable housing policy can be developed.

It suggests, however, that careful and continuous liaison is necessary between the various Ministries of the Provincial Government, some of whose activities concern the provision of housing, the municipalities, and between the Federal and Provincial Governments.

Further, the Committee recommends that a housing policy development group maintain liaison with the housing industry, and that the Committee itself could serve as a useful vehicle for this purpose.

The Committee notes that under the new re-organization of Government, responsibility for housing policy has been assigned to a group within the Ministry of Treasury, Economics and Intergovernmental Affairs, but that the status of the group has not yet been defined.

The Committee wishes to emphasize its view that the task of developing a housing policy is of such economic and social importance that it warrants the direction of a senior administrator, directly responsible to his Minister, and the provision of an adequate staff and budget.

- A1 That the Province negotiate with the Federal Government and with lending institutions such as banks, mortgage companies and others, to ensure an even and adequate provision of mortgage funds for the housing industry in Ontario. These funds should be coordinated with those provided by the Province and carefully distributed to act as a tool in the implementation of the Government's regional development policy.

The Committee appreciates that mortgage funds are particularly vulnerable to contra-cyclical monetary policy because they represent long-term instruments. It feels, however, that this has been the cause of the historically erratic movement of the supply of mortgage funds in Ontario. Although the effects of monetary policy have been reduced by the introduction of the 5 year mortgage, the long-term interest rate itself affects the supply of mortgage money. The housing industry is, therefore, significantly affected by monetary policy.

The Committee reiterates the industry's view that residential construction has suffered unduly in tight money situations, and that the costs to the economy as a whole and to the house buying public are so high that attempts should be made to offset this industry's vulnerability.

When mortgage funds fluctuate, the number of housing starts also fluctuates. Since the price of money is a function of supply and demand, there is an inflationary effect on the price of housing, at a time when monetary policy is trying to dampen inflation. The uneven flow of funds has also made long-range planning by the housing industry very difficult and caused costly operational inefficiencies. Both of these factors have had an adverse effect on the cost of housing.

In order to facilitate planning for housing across Ontario, the Government's negotiation for, or the supply of, mortgage funds, should be carried out on a regional basis. Although it is not the Committee's recommendation that the Government use the tool of the supply of mortgage money alone as a means of directing development throughout the Province, it should be noted that the regional distribution of mortgage funds does provide the Government with a means of stimulating or restricting the housing industry in any particular area. The Committee urges, however, that such action should only be within the context of the policies recommended in this report.

The Committee welcomes the recent initiative of the Federal Government in proposing a central mortgage bank and the creation of real estate investment trusts, which are to enjoy the same tax treatment as mutual funds, and the creation of a new instrument, a variable term mortgage loan. Taken together, these provisions should at least partially shield the flow of mortgage funds from its previous undue vulnerability, and encourage additional investment funds to be channelled into mortgages.

The Committee, however, urges that in the interest of constructing a viable housing policy for Ontario, it is essential for the Province to negotiate with the Federal Government, mortgage companies and other lending institutions to ensure that the flow of mortgage funds in Ontario, on a regional basis, is adequate to provide for the Province's housing requirements.

The Committee further recommends that the Province investigate methods of making additional mortgage funds available from its own resources.

A2 That the Province decide and announce its allocation to public housing, student housing, housing assistance for the lower and middle income groups, and housing to foster the regional development of the Province.

It is the Committee's view that the public and private sectors could cooperate more effectively if the housing industry had a stable estimate of the amount the Government intended to devote to the construction of public housing and student housing, in which areas this would occur, to what extent the Government planned to provide or guarantee mortgage funds for lower and middle income groups, what other forms of housing assistance the Government might plan for these groups, and the number and location of starts these forms of assistance might be expected to generate.

Further, in commending the Government on its regional development policy, the Committee notes that this policy does not explicitly include housing. A Provincial housing policy could usefully complement the regional development policy, especially if in its implementation encouragement was given to the distribution of housing within the broad context of, for instance, the "Toronto-Centred Region" and other "Design for Development Plans," and if incentives were offered in the form of housing assistance, designed to facilitate the expansion of designated growth centres.

A3 That the Province make it clear to the Federal Government that it proposes to adopt a Provincial housing policy and that it is desirable that the Federal policy be complementary to, and integrated with, that of the Provincial Government.

The Committee reiterates the importance of the two Governments cooperating to ensure a steady and adequate flow of mortgage funds to the private housing industry.

The Committee also recognizes that the majority of funds presently available for housing assistance in Ontario is allocated to the Province by the Federal Government and that, even if the Province decides to increase its allocation to housing from its own resources, funds available through the Federal Government will still represent a significant portion of the total. Further, the Government may wish to negotiate with the Federal Government for an increase in Ontario's share of the housing funds.

The Committee recommends that all Federal housing and related funds for use in the public sector in Ontario, be channelled through a designated Provincial agency, and that the Federal and Provincial Governments agree on the annual amounts Ontario can expect to receive.

To facilitate planning, agreement should be reached for a period of at least five years in advance. This will enable the Province to plan its direct participation in housing in line with its housing policy.

If this approach proves impractical, then the Committee recommends that the Federal Government be asked to fully integrate its plans for construction in Ontario with the Province's housing and servicing standards and with its policies on land banking.

Section B
The Cost of Serviceable Raw Land
Suitable for Development

- B1 It is essential that the Provincial Government continue with the program contemplated in its "Design for Development", Phases I, II and III, and adopt viable policies respecting the relationship of the various regions of the Province, particularly in fiscal, economic, social and land use terms, and that the Government's activities in trunk servicing, land banking, the provision of educational plant and housing assistance be closely coordinated and inextricably meshed with the Government's Province-wide program.

Former Premier John Robarts stated in the House:

"The Government accepts the responsibility of guiding, encouraging and assisting the orderly and rational development of the Province. . . .

The efforts of the Government should, therefore, be complementary to the private sector of the economy in helping to create an atmosphere for growth and development. . . .

Policies must, however, be cast in the mould of Ontario's conditions and not simply borrowed from other jurisdictions where fundamental characteristics and institutions may differ."

Further, "Design for Development" stated that:

" . . . regional plans and priorities of the Government should contribute to the total environmental development and economic performance of the Province . . . we are determined to produce guidelines for our regions so that both the public and private decisions which affect our development can have realistic relationships to one another."

The Committee is in agreement with the Government's proposal for a provincial plan and urges it to proceed expeditiously with its formulation and that of plans for the economic regions of Ontario.

The Committee is, however, concerned that these plans, especially those for the regions, be detailed enough to allow the forecasting of specific requirements for trunk servicing, schools and other matters concerning the housing industry covered in other sections of this paper.

The Committee also recommends that in order to provide for the smooth implementation of the stated policy for a Province-wide plan, the Government must closely coordinate its activities in:

- 1] the provision of servicing (roads, sewers, water);
- 2] land banking;
- 3] the provision of educational plant; and
- 4] housing assistance.

These should be carefully integrated so that development can take place in an orderly planned fashion.

B2 That the Government extend its trunk servicing program [roads, sewers, water, etc.] within the context of a comprehensive development plan.

In the Committee's view, the timely provision of trunk servicing, as one of the implementation tools of the planning policy for the Province, would provide the Government with an effective and viable means of controlling the direction of development. The provision of, or the publication of the intent to provide, trunk servicing to any particular region would allow the Government to control the extent and direction of development. The timely provision of these services would minimize the speculative increases in land prices, which in some municipalities, have occurred due to the scarce supply of developable land, and uncertainty as to the direction of development.

Although lead time is required in the construction of trunk facilities before housing development can take place, they should not be constructed so far ahead of development that the supply of serviced land greatly exceeds the requirement for this resource. The Government should also ensure that once an area is serviced by means of trunk facilities that it be considered a raw material for building land, not farmland. The facilities are put in at a cost to the public, the Government should, therefore, institute tax measures or other means to ensure that the land is not held in an undeveloped state for longer than necessary.

It appears that there is currently a lack of statistical information on the number of housing units required in the various development areas [for a specific recommendation on the need for applicable statistics - See Section D3]. The Committee is aware that a certain amount of research has been carried out. A good initial approach to the projection of housing requirements is the publication called "O.H.C. Systems Building", prepared by Peter Barnard Associates which includes a ten-year projection of housing requirements for the economic regions in Ontario. The Committee feels, however, that to adequately forecast requirements for trunk servicing, projections will have to be expanded and refined. The Committee, therefore, recommends that the Government initiate research which will result in the continuing estimation of the number and type of housing units required by each region in the Province in the next 20 years, and that this program be integrated with the housing policies appropriate for the implementation of a comprehensive province-wide plan. To reduce uncertainty, the Government should announce that adequate trunk servicing will be available prior to the need for development.

There are three groups of prime services required to develop land:

- 1] trunk and local roads, water supply, sewage disposal and storm drainage;
- 2] electric power, telephone services, natural gas and other types of communal fuel supply;
- 3] educational plant [see Recommendation B4] .

The second group of services is usually provided by utility companies, some of which assume capital installation costs, while others charge them to the developer so that they become, in effect, a 'front end' cost to the house buyer.

It is important to note that the failure to provide regional services has, in some cases, led to a shortage of serviceable land and, in turn, to rapidly increasing land prices.

The provision of regional services is in most cases beyond the economic capability of local municipalities. The Government has recognized this liability and has initiated regional planning to coordinate development and create an overall scheme for development. The Committee, however, recommends that the Government make clear its intention with respect to the rate and direction of development of trunk services, and that it accelerate its program of providing trunk services so that the facilities will be available prior to the need for development.

Ideally, the Committee would like to see the Government provide leadership in the provision of all three prime groups of services. In any event, the Committee urges that the Government seek the cooperation of utility companies and school boards in long range planning.

B3 Land banking has a role to play in the provision of housing. It is not necessarily the best solution in all situations, and the effect of land banking should, therefore, be carefully evaluated in each instance rather than establishing a blanket policy.

The cost of the serviced lot is a major portion of the price of a house to the consumer. In many cases, the land portion represents more than one third of the total price of the unit. Consequently, if the price of the housing lot could be reduced, this would likely result in a substantial saving to the consumer.

It is the Committee's experience that in many cases the issue is not the availability of raw land, but the amount of land serviced and available for development.

There are many proponents of a policy that will result in government ownership of all land for housing development. The Committee, however, feels that there is a need for government land banking and development, but only in certain instances. Since not enough research has been done to project the general effect of large scale government land banking, the Committee recommends that the effect of current and past land banking programs be carefully evaluated and that any new programs be monitored, both as to their direct effect on the cost of housing, and their indirect effect on other sectors of the economy.

There are isolated situations where the economic climate is not strong enough to entice private industry to develop land for housing. An important example is Elliot Lake where the Provincial Government acted as the developer. It is the Committee's view that there will always be a need for government land banking and development in this type of situation.

The Committee feels that the Government can also make a substantial contribution by furnishing leadership in the type of housing that is being provided. In this circumstance, the Government can use its own land for a pilot project of innovative housing, showing private industry, by example, the type and quality of development that is deemed desirable.

In most situations, the Government as a landowner/developer, will be in direct competition with private enterprise. If the Government is to use ownership as a means of influencing land prices by the direct market forces of supply and demand, it has to be the major controlling force in the market place. Depending on the size of the municipality, to effectively control market forces government influence might have to range from 2-3 lots in a small municipality where the annual demand may not exceed 10 lots, to a few thousand lots in the larger municipalities such as Metropolitan Toronto, where the current annual development is in the order of 2,000 acres. Experience has shown that the Government has been able control land prices in some small municipalities where it has been a major landowner. However, unless the municipality is small with a slow demand for lots, the potential government capital requirement would appear to be substantial.

In addition, if a land banking program is to be effective, it will have to be closely coordinated with servicing and school construction programs to eliminate other major restrictions to the adequate flow of building land. The Committee wonders if, except in special situations where the economic climate is not strong enough, or where the Government wishes to provide direction or other types of assistance, an equal or smaller expenditure on trunk servicing would not have a greater overall benefit. This is especially true since there is no evidence, in most cases, that developers are artificially increasing land prices by keeping land off the market. Restrictions to the adequate flow of land have, however, been caused by lack of trunk servicing, lack of schools, lack of sewage treatment facilities or other trunk services. In most cases, the restrictions have developed because the involved municipalities have not had adequate funds available to provide needed public facilities. It is the Committee's feeling that if the land had been Government owned, funds might have been made more readily available; however, it is the lack of services, not the fact that the land was privately owned that made it unavailable for development.

The Government could set an artificially low selling price on land in its ownership. However, for this to have an effect on the cost of the building lot, controls must be placed on speculation in the case of resale. These controls could take the form of special capital gains taxation, or other clauses written into the sales agreements.

By looking at the housing sector of the Ontario economy in isolation, it would appear that the provision of services could be a less costly method of reducing the price of the total housing unit, especially since a land banking program must be supplemented with such facilities. Nevertheless, land banking will always remain as a tool to be used in certain municipalities where private industry cannot or will not develop, for pilot projects or innovative housing schemes, for special area development, or for urban renewal. More research will, however, have to be carried out before the Committee can recommend the province-wide adoption or rejection of government land banking.

The Committee realizes that housing is part of the infrastructure of the Ontario economy. It can therefore, not be considered as an isolated self-sufficient unit. Thus, the effect of transferring resources from other sectors of the economy to the housing industry must be researched carefully before any decision on the best application of economic resources can be made.

Although the economic effect would need to be researched, the following are some of the apparent advantages of land banking:

- 1] it can be the only method of development in some areas;
- 2] it can be used as a tool by the Government to provide an example as to the type of development considered desirable;
- 3] it can affect the cost of land [If the effect is to be through natural market forces the Government would have to be a large developer. However, the percentage ownership required to affect prices must be further researched; a 25 percent market penetration has been suggested by some sources] ;
- 4] it can reduce the cost of housing if the Government is to retain ownership and lease the land to the homeowner [this is an extension of the Ontario Housing Corporation "Home Ownership Made Easy" activity] ;
- 5] it can reduce the cost of housing if the lot is sold at a cost substantially below market. However, safeguards would have to be introduced to restrict speculative gain on eventual resale.

There are, however, a number of apparent disadvantages to land banking. These are:

- 1] unless the land is bought well in advance, a land banking program could be very costly;
- 2] with central control of the building land resources, the beneficial effect of local knowledge of requirements could be lost;
- 3] the Government, as a large developer, would be in direct competition with the large companies currently engaged in this activity. The Government's larger resources may give it such an unfair advantage that it could hinder the development of a healthy private housing industry;
- 4] government land banking has to be large, in relative terms, if it is to affect all prospective homeowners by reducing land costs through market forces;
- 5] land banking will involve a large capital expenditure. If this expenditure is financed by bonds or debentures it may affect the Government's borrowing capability for other sectors of the economy. Even if a land banking program is financed out of current revenues, it will involve a shift of economic emphasis to housing from other sectors;
- 6] major government involvement in land banking will effectively result in government ownership of a substantial part of the Ontario economy and may not be agreeable to the people of the Province.

It is, therefore, the Committee's view that although land banking may be a tool to be used in certain specific instances, unless research proves that it is the most efficient solution when all affected sectors are considered, it should be evaluated on a project basis. The cost, both direct and indirect, and the eventual benefits of a comprehensive scheme should be carefully researched prior to a commitment to a definite course of action.

B4 That the Government coordinate the supply of capital financing to local school boards and the provision of school space with the approval process for new subdivisions.

In a rapidly urbanizing area, any unnecessary delay in the approval process has an escalatory effect on the cost of housing because it increases the imbalance between supply and demand. Lack of funds to build schools is in many areas one of the major reasons for this delay in the approval process.

School boards obtain their financing through the Ontario Education Capital Aid Corporation. However, through lack of planning and the incorrect projection of requirements, this source can become inadequate. As a result, development can be frozen.

It is the Committee's understanding that, in the past, School Boards were reluctant to make realistic projections, primarily because of a lack of experienced planning staff. This situation is slowly being rectified. However, the encouragement and coordination of this planning process on a Provincial level could do much to standardize the School Board's planning process and could lend credibility to space requirement projections.

It is the Committee's view that the need for new schools and consequent capital requirements can be projected by area. This is particularly so if the Government accepts the earlier recommendation herein and influences the direction of development through province-wide planning and the provision of regional services. The Committee also recommends that alternate types of school plant be investigated in order to allow for temporary bulges in school requirements or to provide interim space if monies can not be procured for the immediate building of schools. This interim space, which could be provided in a shopping centre or other communal building, should be adequate for the first few years of the development. If the space cannot be made available, a busing system might be feasible. This solution will also result in a better utilization of existing plant which, because of population movements, is currently oversized. A more flexible provincial and local government attitude to the provision of school plant will prevent delays if financing cannot be made available and can result in the building of schools for a stable population base, with "bulges" accommodated in temporary and/or movable facilities.

Consequently, the Committee urges the Government to ensure adequate communication between local School Boards, Planning Boards and Municipal Councils. The Committee feels that an improved level of cooperation between these three bodies will do much to alleviate the current problems in school projection and will, hopefully, result in satisfactory long range projections of capital requirements for the construction of educational plant.

Section C

The Building and Servicing Standards

- C1 That the Province play a stronger role in setting appropriate standards for municipal services, including sanitary sewers, storm drainage, watermains and streets.**

It is the Committee's view that the Province's role in setting servicing standards for residential development is still largely a passive one. The Ministry of the Environment, for example, has set minimum requirements for watermains and sanitary sewers, through its approval of municipal works, but it has seldom questioned municipalities which require a higher standard as a minimum.

Ontario Housing Advisory Committee's Study on Servicing Standards will provide a substantial contribution to this issue very soon.

The Committee realizes that some government agencies make grants only up to a certain level of servicing, and that the former Department of Municipal Affairs has acted as informal arbitrator in disagreements between the developer and municipality. It also appreciates that the Ontario Municipal Board acts when a formal appeal is launched. These activities have been helpful, but they are time consuming and may greatly extend the period required for the construction of housing.

The Committee, therefore, recommends that as part of a serious effort to reduce housing costs, the Province take an active role in coordinating and setting servicing standards, to be used by municipalities in residential areas, which are in keeping with the character of the community and the environment and are "affordable" by the prospective homeowner.

C2 That research be undertaken into determining whether standards of space and quality should be established for housing in Ontario.

There is considerable speculation within the Province as to whether the standards of new housing are inadequate, adequate or even too generous. This is particularly relevant when considering housing being provided by the public sector for people of limited means, and by the private sector for the more modest end of the housing spectrum.

It is the recommendation of the Committee that appropriate research be undertaken to determine the housing needs of low income families and that action be taken to ensure that future housing standards are adequate to meet such needs.

Because of the growing involvement of the public sector in the provision of housing, it is imperative that this research examine the standards of accommodation with some understanding of the economic implications of the extent of housing subsidies required for such provision. It would be most useful to make explicit,

- 1] the extent of such subsidy in existing housing, and
- 2] the potential reduction or increase, given the ranges of housing considered to be adequate for those being housed.

It should be clearly understood that any examination of what is “adequate” is an extremely subjective and controversial issue. This is particularly true when “adequate” is extended to include amenities and services as well as space standards and quality of construction. However, it is important to consider all these aspects in the role of housing in social policy, and to consider the economic costs and benefits of such housing.

The result of this research would suggest whether “housing standards” in addition to those now in force should be established, and what criteria should be used to establish these standards if they are required. In addition, it would clarify the extent of public investment in housing and help provide a factual base for the debate on such investment.

C3 That the Province of Ontario adopt a uniform building code as soon as possible.

In the Committee's view the present large number of building codes in the Province is confusing and leads to the custom building of many items which, were a uniform standard available, could be mass produced.

A uniform building code for the Province would reduce house prices, partly because it would permit longer production runs for certain prefabricated components and partly because more economical production runs would also increase the number of items which can be economically built off site and "plugged into" the house as it is constructed.

The Committee appreciates that the Province has already undertaken intensive research on structure and administrative procedures and recommends that a uniform building code for Ontario be adopted as soon as possible.

D1 That the Province set itself a time limit within which it will meet and implement its housing policy goals.

It is the Committee's opinion that the smooth implementation of a housing policy would be facilitated if the Government announced, within one year, its timetable for its various housing policy goals.

This would enable the government to analyse the fiscal and economic impact of its annual allocations to housing, and the housing industry to develop a longer range and more stable planning process.

D2 That when Provincial housing policy has been formulated, it be widely publicized.

It is the Committee's view that the interests of the public, the housing industry and all three levels of government would best be served, if the Provincial Government published its housing policy in sufficient detail to provide all interested parties with adequate knowledge of the Government's intentions. This would permit rational planning and hopefully induce realistic expectations.

The Committee commends the Government for its publication of "Design for Development" and the "Toronto-Centred Region Plan" and suggest that a useful precedent was set.

D3 That the necessary statistical information, in useful units of measurement, designed to facilitate the establishment and maintenance of a Provincial housing policy be collected and maintained.

The Committee is aware of the difficulty of creating and maintaining an inventory of the Province's housing stock, which is related to the income of occupants. Nevertheless, it is the Committee's view that this information is essential to the formulation of a viable housing policy.

The Committee commends the Government's present initiative in examining municipal assessment records for pertinent information on the Province's housing stock, and the efforts being made to correlate this with information which will become available from the 1971 Census which can, on a sample basis, be related to the income of occupants.

As a further step, the Committee recommends that the Government initiate the setting up of a task force, chaired by a representative of the Province's agency for the development of a housing policy, and whose members represent the housing industry, Ontario Housing Corporation, Central Mortgage and Housing Corporation, municipal governments and Statistics Canada, to find a solution to the difficult task of developing statistical measurements of the quality of housing.

In extending invitations to Central Mortgage and Housing Corporation and Statistics Canada to join this task force, the Government might wish to seek their opinion as to the usefulness of inviting representatives from other Provinces so that nation-wide units of measurement might be agreed upon.

Once established, these measurements, together with cost and location, should be included in statistics on housing starts and completions. The feasibility of including agreed measurements of quality in future inter-censal and census questionnaires and in assessment records, should also be explored, and a search made for a viable means of establishing a regular cross tabulation of housing and income statistics. In this way, the Province's housing inventory could be kept up to date, and reasonable projections could be made.

For the same purpose, a record of demolition and of change of usage of buildings now used for dwelling purposes, should also be kept.

On the demand side, analysis of consumer spending, and possibly a sample survey of housing preferences, would help to reveal the expenditure priorities of housing.

In order to assist in determining what income ceiling direct provincial assistance should reach, and in estimating the cost of so doing, it would also be useful to know the regional and income distribution of groups having made application to Ontario Housing Corporation and to Central Mortgage and Housing Corporation for housing assistance.

D4 That there be close coordination between the various agencies involved in shaping the direction of development in Ontario.

The Committee is aware that because of the many bodies involved in the approval process, subdivision approval can take a long time. The Government must ensure that this is as short as possible. However, the Government also has a responsibility to ensure that development is appropriate in its location, quality and timing, and is consistent with regional development policies.

The Committee, therefore, recommends that the Government seek means of improving the coordination of the various planning and approval processes so that the time period during the approval process can be reduced. Although the following is by no means all inclusive, factors to be coordinated include, regional planning, regional servicing and the planning and financing of schools.

The Committee believes that the foregoing recommendations identify the major problems of the housing industry in Ontario and outline an overall policy which will assure a healthy housing industry to adequately and economically provide for the shelter requirements in the Province.

Appendix

APPENDIX I - Summary of Recommendations

PRINCIPAL RECOMMENDATION

That the Government create a housing policy development group responsible to a senior administrator at the Deputy Ministerial level and, through him, to a Minister of the Crown, to develop and enunciate a Provincial housing policy.

SECTION A - THE COST AND SUPPLY OF MONEY

- A1 That the Province negotiate with the Federal Government and with lending institutions such as banks, mortgage companies and others, to ensure an even and adequate provision of mortgage funds for the housing industry in Ontario. These funds should be coordinated with those provided by the Province and carefully distributed to act as a tool in the implementation of the Government's regional development policy.
- A2 That the Province decide and announce its allocation to public housing, student housing, housing assistance for the lower and middle income groups, and housing to foster the regional development of the Province.
- A3 That the Province make it clear to the Federal Government that it proposes to adopt a Provincial housing policy and that it is desirable that the Federal policy be complementary to, and integrated with, that of the Provincial Government.

SECTION B - THE COST OF SERVICEABLE RAW LAND SUITABLE FOR DEVELOPMENT

- B1** It is essential that the Provincial Government continue with the program contemplated in its "Design for Development", Phases I, II and III, and adopt viable policies respecting the relationship of the various regions of the Province, particularly in fiscal, economic, social and land use terms, and that the Government's activities in trunk servicing, land banking, the provision of educational plant and housing assistance be closely coordinated and inextricably meshed with the Government's Province-wide program.
- B2** That the Government extend its trunk servicing program [roads, sewers, water, etc.] within the context of a comprehensive development plan.
- B3** Land banking has a role to play in the provision of housing. It is not necessarily the best solution in all situations, and the effect of land banking should, therefore, be carefully evaluated in each instance rather than establishing a blanket policy.
- B4** That the Government coordinate the supply of capital financing to local school boards and the provision of school space with the approval process for new subdivisions.

SECTION C - THE BUILDING AND SERVICING STANDARDS

- C1 That the Province play a stronger role in setting appropriate standards for municipal services, including sanitary sewers, storm drainage, watermains and streets.
- C2 That research be undertaken into determining whether standards of space and quality should be established for housing in Ontario.
- C3 That the Province of Ontario adopt a uniform building code as soon as possible.

SECTION D - ADMINISTRATIVE

- D1 That the Province set itself a time limit within which it will meet and implement its housing policy goals.
- D2 That when Provincial housing policy has been formulated, it be widely publicized.
- D3 That the necessary statistical information, in useful units of measurement, designed to facilitate the establishment and maintenance of a Provincial housing policy be collected and maintained.
- D4 That there be close coordination between the various agencies involved in shaping the direction of development in Ontario.

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